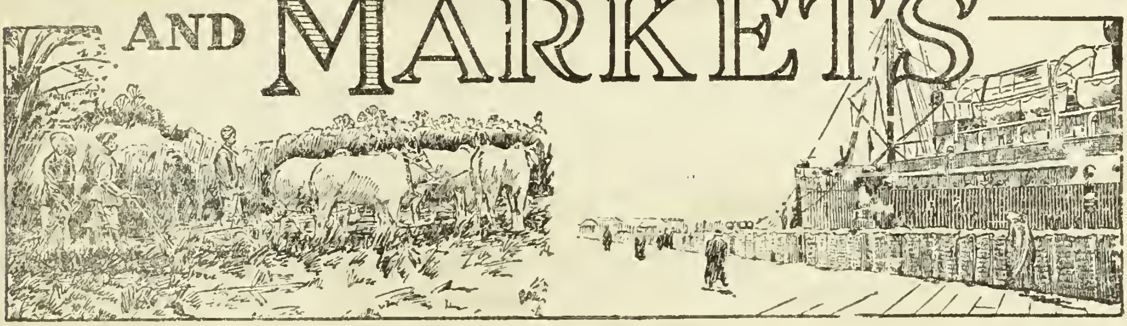
FOREIGN CROPS AND MARKETS



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FEATURE ARTICLE

MANCHURIAN SOY BEAN SITUATION

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IN THIS ISSUE

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L A T E C A B L E S

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Crop prospects in Canada were again affected by lack of rain the past week in the principal farming districts, hay crops showing considerable reduction. In other sections, where the moisture supply ranged from ample to excessive, warm weather is needed to hasten growth. General rains in June came too late to benefit fall-sown crops and the first cutting of hay, but pastures picked up considerably and spring grains improved slightly. Spring wheat showed a gain of about 4 percent in June. Increased acreages of corn and sugar beets are reported. Crop conditions, as of June 30, 1934, in percentages of the long-time average yield per acre, with 1933 comparisons in parentheses, were as follows: Fall wheat 45 (90), spring wheat 82 (77), all wheat 82 (77), oats 87 (84), barley 84 (84), fall rye 57 (74), spring rye 80 (73), all rye 63 (74), flaxseed 78 (69) (Dominion Bureau of Statistics July 10-11, 1934).

Hungary 1934 grain production forecast with 1933 comparisons in parentheses, was distributed as follows: Wheat 60,663,000 bushels (96,356,000), rye 20,078,000 bushels (37,654,000), barley 19,336,000 bushels (38,647,000), and oats 14,674,000 bushels (24,637,000) (International Institute of Agriculture, Rome, July 10, 1934).

Netherlands crop forecasts for 1934 with 1933 figures in parentheses, were as follows: Wheat 15,616,000 bushels (15,325,000), rye 15,472,000 (15,592,000), barley 4,363,000 bushels (2,311,000), oats 17,637,000 bushels (20,751,000) (International Institute of Agriculture, July 10, 1934).

French Morocco 1934 production estimates, with 1933 crops in parentheses, were reported as follows: Wheat 30,828,000 bushels (28,902,000), oats 2,618,000 (2,086,000) (International Institute of Agriculture, Rome, July 11, 1934).

Turkey production estimates for 1934, as compared with 1933, were placed as follows: Wheat 91,858,000 bushels (81,905,000), rye 9,842,000 bushels (9,842,000), barley 73,487,000 bushels (59,710,000), oats 13,779,000 bushels (11,712,000) (International Institute of Agriculture, Rome, July 11, 1934).

French prune production estimated at 6,000 short tons compared with 7,500 last year. Large quantities of cherries brined in France will offset reduction in Italy, where this year's estimate is somewhat under the 45,000 barrels brined in 1933 (Paris office, Foreign Agricultural Service, July 10, 1934).

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C R O P A N D M A R K E T P R O S P E C T S

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BREAD GRAINS

Smaller world wheat and rye crops in prospect

Estimates and forecasts received to date indicate a reduction of 296,697,000 bushels in the 1934 Northern Hemisphere wheat crop, exclusive of Russia and China, and a reduction of 250,746,000 bushels in the rye crop compared with last year. The reporting countires in 1933 accounted for nearly 95 percent of the Northern Hemisphere wheat crop and over 95 percent of the rye crop. See table below for totals and table, page 51, for production by countries in Europe.

WHEAT AND RYE: Production, 1930-31 to 1934-35

Country	1930-31	1931-32	1932-33	1933-34	1934-35 prel.
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
WHEAT					
United States	889,702	932,221	744,076	527,978	483,662
Canada	420,672	321,325	443,061	269,729	a/350,000
Mexico	11,446	16,226	9,658	12,122	10,346
Total (3)	1,321,820	1,269,772	1,196,795	809,829	844,008
Continental Europe (25)	1,316,017	1,396,219	1,448,503	1,671,144	1,330,691
North Africa (4)	103,895	115,468	127,246	110,024	119,080
Asia (3)	429,365	386,657	376,808	399,985	400,506
Total (35)	3,171,097	3,168,116	3,149,352	2,990,982	2,694,285
RYE					
United States	46,275	32,290	40,639	21,236	17,194
Europe, Danube (4)	67,139	53,901	59,276	75,730	a/47,000
Other (19)	855,581	721,104	872,334	904,974	a/687,000
Total 24 countries	968,995	807,295	972,249	1,001,940	751,194

a/ Unofficial

European wheat situation

1934 crop prospects

Estimates of 1934 wheat production in the 23 continental European countries covered by the Bureau offices, total 1,332,322,000 bushels as compared with 1,671,658,000 bushels produced in 1933, an outturn of 1,448,884,000 bushels in 1932 and an average for 1929-1933 of 1,447,080,000 bushels. Of the so-called deficit countries only three, Spain, Portugal, and Greece, show a material gain over 1933. In the Baltic and Scandinavian countries, prospects point to crops about the same as those of the past season. In most European countries, however, dry weather and a slight decrease in acreage have resulted in reduced production

CROP AND MARKET PROSPECTS, CONT'D

estimates for 1934. The total for 19 countries outside of the Danube Basin is placed at 1,089,142,000 bushels, a decline of 16 percent from the wheat crop of 1933 and about 3 percent under the 1929-1933 average for the same countries. In the surplus countries of the Danube Basin, where harvesting is now in progress, the 1934 crop is estimated almost 35 percent under that of 1933 and 9 percent below the 1929-1933 average. See table on next page.

Crop conditions in France were irregular during June not only between localities, but even between fields in the same locality. Drought was experienced in many sections but some rainfall has been received recently that may have improved the crop somewhat, the Bureau's Paris office indicates. Unfavorable weather was reported for both Italy and Spain, but crop conditions in Portugal were excellent during the month. Most of the central European countries continued to suffer from lack of rain, the June report of the Berlin office states. Rains were received in the extreme northern and southern sections of Germany and in Poland, but reduced yields are expected in both countries. Average crops may be obtained in Austria, though recent cool weather checked development. Exceptionally poor conditions prevailed in Czechoslovakia, insufficient rainfall continuing throughout June. In the Danubian countries a diversity of conditions existed, according to the Belgrade representative of the Foreign Agricultural Service. In general, crops were poor in the northern part of the Basin, where Hungary and Rumania are situated, while in the southern areas timely rains were received, assuring good crops in Yugoslavia and southern Bulgaria.

In Russia the spring sowing campaign was completed much earlier than in past years, a situation generally considered necessary for good yields. By the middle of June the plan for all spring crops had been exceeded 1.5 percent, with collective farms, which account for over 75 percent of the 1934 spring planting, showing the best progress. Reports of drought have been numerous during recent weeks, the Bureau's Berlin representatives point out, with many areas apparently not experiencing any rain all spring. In some instances, the situation is compared with the disastrous drought year of 1921. In June, however, rains were quite general, though apparently they did not fully offset the effects of the previous prolonged drought and yields in the southern regions where most wheat exports originate are expected to be low. Late sown crops and those in the central and western section of the country may turn out satisfactory if weather conditions are favorable the rest of the season. Harvesting started the middle of June in the southernmost regions and crops were reported to be maturing very rapidly. Ripening is said to be very irregular this year, and as a result of the great variation in the length of straw, machine harvesting is expected to be difficult. Brigades have been organized to watch ripening fields in order to prevent losses from delayed cutting.

CROP AND MARKET PROSPECTS, CONT'D

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WHEAT: Estimated production in specified European countries, average 1929-1933, annual 1932-1934

Country	Average 1929-1933	1932	1933	1934
	1,000 bus.	1,000 bus.	1,000 bus.	1,000 bus.
France	305,080	333,524	362,330	a/ 275,600
Italy	257,938	276,922	297,633	a/ 238,800
Spain	153,293	184,207	138,235	173,612
Germany	161,524	183,830	205,920	145,614
Poland	69,849	49,472	68,342	b/ 49,500
Czechoslovakia	52,065	53,737	72,895	b/ 45,500
Greece	14,844	17,067	24,695	c/ 33,000
Norway	735	749	772	b/ 700
Sweden	22,707	26,500	29,204	b/ 27,700
Denmark	10,803	10,997	11,390	b/ 10,800
Netherlands	9,296	12,837	15,325	15,616
Belgium	14,146	15,376	15,067	b/ 14,300
Portugal	15,285	23,791	16,013	a/ 21,300
Switzerland d/	5,769	5,402	6,614	b/ 4,600
Austria	12,823	12,193	17,391	b/ 13,900
Lithuania	9,296	9,423	8,192	b/ 8,200
Latvia	4,372	5,292	6,724	b/ 6,400
Estonia	1,874	2,085	2,450	b/ 2,500
Finland	1,176	1,483	1,598	b/ 1,500
Total (19)	1,122,875	1,224,887	1,300,790	1,089,142
Bulgaria	52,753	50,553	58,858	46,517
Hungary	78,539	64,463	96,356	60,663
Rumania	108,084	55,537	119,070	c/ 58,800
Yugoslavia	84,829	53,444	96,584	c/ 77,200
Total Danube Basin	324,205	223,997	370,868	243,180
GRAND TOTAL	1,447,080	1,448,884	1,671,658	1,332,322

Compiled from official sources except as noted. a/ Estimate of Paris office. b/ Estimate of Berlin office. c/ Estimate of Belgrade office. d/ Includes spelt and maslin.

Stocks and carryover

Though the wheat crop in continental Europe is estimated to be nearly 340,000,000 bushels below last year, much of this reduction is offset by large carryover stocks, particularly in France. It is also significant to note that of this reduction, the 19 importing countries account for only about 210,000,000 bushels while the Danube Basin surplus countries report a decrease of upwards of 130,000,000 bushels. Carryover stocks in France are generally believed to be

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around 90,000,000 to 105,000,000 bushels, the Paris office representatives of the Foreign Agricultural Service say, which will more than take care of the indicated 45,000,000-bushel reduction in the 1934 crop below the usual domestic requirements of around 320,000,000 bushels. In Germany also there is an increased wheat carryover over last year but it does not appear sufficient to offset the decrease in the current crop. Carryover stocks in Italy at the end of the 1933-34 season are expected to be small so that most of the differences between the domestic requirements and the 1934 harvest will have to be covered by imports. For the Danube Basin countries a carryover of about 13,000,000 bushels is estimated by the Bureau's Belgrade representative. Nearly half of the amount is reported in Yugoslavia. There are also some stocks on hand in many other European countries, though the amounts have not been determined and do not involve very large quantities.

Market conditions, prices and trade movement

The buying activity on the Continent during May, which had been stimulated by reports of crop deterioration throughout the Northern Hemisphere, eased off during June as a result of more favorable reports from North America, according to information from the Berlin office of the Foreign Agricultural Service. Domestic trading in the individual continental countries, however, continued of fair volume in June. Most of these countries are more or less removed from the direct influence of world markets and the trade was stimulated by local crop deterioration of both bread and feed grains.

Prices of imported grain and prices on the Rotterdam futures exchange moved in line with developments on the overseas markets, the upturn the last of May being followed by a recession during June. Prices of domestic wheat in the individual countries, on the other hand, continued firm throughout the month and in many instances further substantial increases were noted. The prospect of smaller feed crops was also an important factor on the market for bread grain, particularly in Germany. Other strengthening factors were the German prohibition on exports of wheat, wheat flour and oats, effective June 15, and also Russian purchases of Australian and Argentine wheat. These factors were regarded as admissions of reduced crop prospects.

The estimate net imports into continental European countries in 1933-34 are now placed by the Bureau's Berlin representatives, at 172,000,000 bushels, which compares with 221,000,000 bushels imported the preceding year. Germany is expected to show a net export movement of nearly 2,000,000 bushels. The largest imports are reported for Belgium with about 40,000,000 bushels, almost identical with the import trade into that country in 1932-33. The Netherlands was the second largest importing country with about 25,000,000 bushels. The export movement from the Danube Basin countries for the year ending June 30, is placed at about 35,000,000 bushels, of which around 30,000,000 originated in Hungary alone and most of the remainder in Bulgaria.

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Government aid and regulatory activities

As a result of past experiences with many losses incurred in connection with relief activities, the Danubian governments have changed their previous systems beginning with 1934. The probable mediocre 1934 crops which are expected in several Danubian countries have also influenced the various governments in drawing up their relief plans for the 1934-35 season. In the case of Hungary, the conclusion of favorable commercial treaties with Austria and Italy has made it possible to secure relatively high prices without artificial measures.

In Bulgaria the Government Grain Bureau has a monopoly of both the domestic and export trade of wheat and rye. The Bureau pays fixed prices of 270 leva per quintal for wheat and 140 leva for rye ($0.94 and $0.45 per bushel respectively at current exchange) for grain of specified weight and quality corresponding closely to U.S. No. 2 grade and delivered at important centers. For domestic needs the Bureau resells wheat of the same grade at 380 leva per quintal f.o.b. loading station and rye at 240 leva ($1.32 and $0.78 per bushel at current exchange) while poorer grades are sold at somewhat less to be converted into a low grade of flour.

The grain ticket system which has been in force the past three seasons in Hungary was scheduled to be abolished June 30, 1934, according to official announcements. The withdrawal of the system was made possible by the agreement concluded at Rome in May of this year between the Austrian, Hungarian, and Italian governments, which provides that Italy and Austria buy fixed annual quantities of Hungarian wheat at prices considerably above world parity. It is believed that these contingents will make up about three-fourths of the Hungarian wheat export surplus as determined by the London agreement, or nearly 15,000,000 bushels. A relatively small processing tax to be levied on flour is also expected, the proceeds of which will be used for agricultural relief in general. In Rumania the Government Wheat Commissioner's Office has been reestablished to make stabilization and relief purchases.

The Yugoslavian Government Grain Monopoly has been abolished and the former monopolistic organization, the Privileged Export Company, has been converted into a government grain marketing commission. This commission has the exclusive right to export wheat to Austria and Czechoslovakia within the limits of import quotas granted at preferential import customs duty rates by these two countries. Except for this, the export of wheat from Yugoslavia is free. The Government Commission purchases the wheat needed to fill the above two import quotas on domestic markets in competition with other grain dealers. Preference is given by the Government Commission to farmer's cooperatives but the same prices are paid by merchants, the Bureau's Belgrade representative points out.

CROP AND MARKET PROSPECTS, CONT'D

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In Germany, effective June 15, all exports of wheat and wheat flour and other milling products were prohibited so that no new certificates will be available for the importation of wheat. This act resulted in a sharp rise in the price of export certificates. Those issued prior to February 1, 1934, against the exportation of wheat and wheat flour and certificates issued since February 1 against the exportation of wheat flour and other milling products may be used for the importation of corresponding quantities of wheat. Certificates issued against wheat exports since March 8, 1934, may be used for the importation of barley and corn but not wheat. While this regulation may be attributed partly to the desire of the government to conserve domestic supplies of wheat, the principal reason would appear to be the present scarcity of foreign exchange. German wheat for export has been selling much below the cost of wheat imported so that there has been a substantial net loss on exchange. Export certificates now outstanding will be valid until July 31, 1935. According to recent German and Polish press reports, a prolongation of the German-Polish rye agreement is being planned and the inclusion of wheat in the agreement is also mentioned. Considerable effort is also being made by the government to prevent any rise in bread prices, especially before the new crop year. The government, through its market-supporting purchases, is believed to have accumulated considerable grain supplies, especially wheat, to be used as a so-called "national reserve".

Commencing the middle of June, Belgium levied a license fee of 10 francs per 100 kilos on imported rye (11.9 cents per bushel at current exchange). In the Netherlands the Dutch Grain Central announced, effective June 4, 1934, the importation of grain from the Danube Basin countries and Poland would be possible only against compensating exports to these countries of Dutch or Dutch East Indian products. As these countries do not have any significant requirements of products from Holland and the Dutch East Indies, the announcement of the Grain Central virtually amounts to an import prohibition. The establishment of a grain monopoly has finally gained approval in Czechoslovakia, after discussion of the problem for several years. It is planned to include in it wheat, rye, oats, and corn. The monopoly is to prescribe fixed prices on the domestic market and to regulate imports. On July 1 a "Czechoslovakian Grain Company" will come into existance and will be given the monopoly privileges for three years.

Sweden is making a special investigation into their system of milling quotas and admixtures with a view perhaps to modify the unfavorable effects of such measures. The question of a grain monopoly is also being studied. In order to promote domestic wheat production and reduce imports of foreign wheat, the Greek government now maintains a semi-official organization which buys wheat from farmers at fixed prices. The price paid in 1933 amounted to 8 drachmas per oke ($1.61 per bushel at current exchange); the 1934 price has not yet been determined. A further measure destined to protect domestic wheat from foreign competition consists in the recent prohibition of using more than 25 percent of foreign wheat in flour. This regulation became effective June 15, 1934.

CROP AND MARKET PROSPECTS, CONT'D

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FEED GRAINS

Smaller world feed grain crops expected

The area sown to barley for the 1934 harvest in 18 foreign countries reported to date is 2 percent below the acreage in those countries last year, while the production in the 11 countries reported, which last year accounted for about 44 percent of the Northern Hemisphere total, excluding Russia and China, shows a decrease of about 7 percent. The 1933 outturn was below average. In Germany the crop is about 16 percent below that of 1933. The 1934 area sown to oats in eight foreign countries is nearly 1 percent below that of last year, while the indicated production in six countries which last year accounted for 43 percent of the Northern Hemisphere total, outside of Russia and China, shows a reduction of 24 percent. There is a net decrease of 25 percent in the three European countries so far reported, on account of the smallest production in Germany since 1922, and a considerable decrease in Bulgaria. In most of the other European countries the oats condition is below average, although there is an increase in the harvest in Spain. The three foreign countries which have reported corn acreage in 1934 show an increase over that of last year, but growing conditions have been mostly below average. In the Danube Basin the prospects for the crop are definitely unfavorable.

FEED GRAINS: Production, annual 1931-1934

Crop and countries reported in 1934	1931	1932	1933	1934
BARLEY	1,000 bus.	1,000 bus.	1,000 bus.	1,000 bus.
United States	198,543	302,042	156,988	125,155
Europe, 5 countries	270,347	329,841	316,778	298,585
North Arica, 4 countries	104,059	105,729	102,985	108,937
Chosen	41,861	43,861	43,014	47,169
Total 11 countries	614,810	781,473	621,765	579,846
OATS				
United States	1,126,913	1,246,658	731,524	567,839
Europe, 5 countries	509,361	564,009	575,319	430,931
Total 6 countries	1,636,274	1,810,667	1,306,843	998,770
CORN				
United States	2,588,509	2,906,873	2,343,883	2,113,137
Bulgaria	34,988	41,511	41,063	20,904
Total 2 countries	2,623,497	2,948,384	2,384,946	2,134,041

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CROP AND MARKET PROSPECTS, CONT'D

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COTTON

Japan continues to favor India cotton

Imports of India cotton into Japan in recent weeks continued to increase over imports from the United States, according to radioed advices from Vice Consul McConaughey at Kobe. There has been little change in the wide price parity favoring the India product. Meanwhile, stocks of raw cotton have become abnormally large, with Indian especially noticeable, and cloth exports reached record levels in May 1934. Yarn prices in May were stronger than in the preceding month, the prospect of reduction in the curtailment rate having no important effect.

Imports of India cotton in May reached 273,000 bales of 500 pounds with imports from the United States reaching only 102,000 bales. The American figure is below average, but the trade appears optimistic regarding the future for the American staple. The coming increase in permitted machine activity is expected to affect American cotton favorably, but not to the extent that it will affect India cotton as long as the present price relationship exists. No tangible progress is being made in developing sources of supply other than the United States and India. Cotton stocks, while above average are not a depressing factor in view of the continued and anticipated heavy yarn production. Mill takings of raw cotton increased in May. It appeared that buying was ahead of immediate requirements, the mills having some thought of increased raw cotton prices.

The industry is installing new spindles at a rapid rate. Production probably would increase in the near future even at the present rate of permitted activity. Effective July 1, however, mills started working under a restriction of only 22.6 percent against 27.6 percent heretofore. A further reduction to 18.6 percent is scheduled for October next. This policy suggests that spinners have confidence that markets can be found and prices sustained at a profitable level. The sensational increase in cloth exports during May is largely attributed to (1) the renewed availability of the India market; (2) abnormally large exports to the Netherlands East Indies in anticipation of probable import restrictions; (3) continued success in opening up new markets, and (4) a general policy of competitive prices. The outcome of the present conference at Batavia with Netherlands representatives will have a significant bearing upon future Japanese trade in that area.

Poland receives Russian cotton

Cotton from Russia appeared at the ports of Danzig and Gdynia in May 1934, according to Consul John H. Bruins at Danzig. The Russian cotton has been offered at the ports named at prices competitive with American cotton. Total cotton imports in May 1934 reached 38,000 bales of 478 pounds against 21,368 bales a year earlier. Of the 1934 total, 9,600 bales were of Russian

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origin. The Russian cotton is reported to be of good quality, but the packing is inferior. The new purchases are part of the Polish effort to build a cotton textile market in Rumania comparable to that enjoyed by the Lodz mills in prewar years. The buying of Russian cotton is expected by the trade to continue as long as trade facilities and available quantities remain satisfactory.

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FRUIT, VEGETABLES AND NUTS

European walnut crop unusually large

The 1934 walnut crop now appears to be about 40 percent above the 1933 crop, and about 17 percent above average, according to Agricultural Attache N. I. Nielsen at Paris. Increases are noted for practically all commercial varieties and regions. Total production for 1934 in the seven countries concerned, unshelled basis, is placed at 1,840,000 bags of 110 pounds. See table, page 65 . In Italy and France the crop is forward for the season. If the summer continues dry in France, however, prospects, particularly for Marbots, may be reduced somewhat. The market is not yet adjusted to the production prospects. Continued favorable conditions are expected to result in business at prices somewhat under those now ruling.

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LIVESTOCK, MEAT AND WOOL

Mexico publishes livestock census figures

The first complete census of livestock in Mexico, taken as of May 1930, places cattle numbers at 10,083,000 head a/. Goats are placed at 6,544,000, hogs at 3,698,000, sheep at 3,674,000, asses at 2,160,000, horses at 1,888,000, and mules at 751,000 head. These figures, together with details by zones and states, were published for the first time in "Revista de Economia y Estadistica" for May 24, 1934. See table, page 63 . In American currency, the values placed on the various classes of animals were as follows: Cattle, $243,000,000; goats, $10,863,000; hogs, $14,033,000; sheep $7,707,000; asses, $15,272,000; horses, $28,819,000, and mules, $24,407,000.

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a/ Of the total cattle numbers, about 3,733,000 were located on farms and ranches, according to Vice Consul R. M. Taylor in a report dated November 25, 1932. That figure was used in the section on Mexico in the article "World Situation in Cattle and Beef", published in "Foreign Crops and Markets" for February 19, 1934. The Consul's figure has been compared with 5,585,000 for 1926 and 5,142,000 in 1932. It is a question, however, as to whether these figures are comparable and there are certainly no estimates comparable with the 1930 census for the whole Republic.

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Livestock estimates were made for the years 1902 and 1926, but they were only estimates, more or less exact, of the number on farms, without taking into account, in the majority of cases, those in the towns and villeges where the number was considerable. The various States also made similar estimates, but the same defects probably apply to them also. Possibly, the number of head of cattle in 1902 was greater than that recorded but one of the principal reasons for this difference was that there were not available for that census, either the census organization installed all over the Republic or the numerous personnel of appointed census takers, even in the most remote places, as were available in 1930. Individuals also reported the number of cattle on their own property for the 1930 census.

The General Office of Statistics in publishing the present general enumeration declared that the number of head obtained is the result of enumerations taken on every agricultural and livestock farm in the country as well as of those in the cities and towns and in the national army. It is stated also that the information was furnished by competent, interested persons; that is to say, owners, managers, administrators; was criticised and clarified in the same locality by the local office established in each municipal section which was composed of persons well acquainted with the region; and finally that the values were weighted averages of average prices of each class of animal on the day of the census in each municipality, the prices being declared in the respective bulletins of the local offices.

The distribution of cattle according to zones shows approximately 36 percent in the central zone of Mexico, which includes those States in the vicinity of Mexico City, the single State having the largest number of any in the country being Jalisco in the central zone. Next in importance comes the north zone with 27 percent, the largest number being in the State of Chihuahua. Third in importance is the north Pacific zone. Sonora has the largest number in this group. Chihuahua and Sonora formerly marketed a fairly large number of unfinished cattle in the United States. The distribution of goats according to zones is the same as for cattle, except that the central and north zones are reversed, the number in the north being larger than in the central zone.

In the case of sheep and hogs, the central zone has the largest number, with the north zone coming next for sheep and the north zone and south Pacific zones having about the same number of hogs each. Horses and mules are most numerous in the north zone, whereas asses are found largely in the central zone. The value of livestock in Mexico as a whole was estimated at 725,000,000 pesos or $344,868,876 United States dollars in 1930.

CROP AND MARKET PROSPECTS, CONT'D

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Germany regulates livestock markets

A decree of June 9, 1934 placed all the important German livestock markets under control of the Ministry of Foodstuffs and Agriculture, according to Consul L. L. Schnare at Hamburg. The decree becomes generally effective August 1 next. As in the control of the dairy industry, the country is divided into 14 districts, within which are set up control bodies of which all livestock marketing organizations are members. A central control office is located in Berlin. Market unions in each of the 33 cities, having important livestock markets include as their members all buyers and sellers of livestock using the local market. Local unions are represented by one member each in the district union. The published intentions of the new organization are to so regulate supplies of livestock as to avoid shortages and gluts, to do away with speculation, to reduce handling charges, and to see that producers get a fair price while keeping prices to consumers at a reasonable level.

Norway has a pork export surplus

Norway changed from a pork deficit to a pork surplus country during the winter of 1933-34, according to Vice Consul George M. Abbott at Oslo. Hog census figures indicate that on April 3, 1934, Norway had about 460,000 on hand, numbers having advanced annually since 1929 when they stood at 289,000 head. An expanded dairy program has been an important factor in the enlarged hog enterprise in the last two years, the bulk of the output having sought an outlet in Great Britain. Norway is not one of the countries exporting to Great Britain under a definite quota, but it is included in the allowance made for all non-quota foreign sources of supply. The reported unsatisfactory position of Norwegian hog producers indicates that an insufficient share of total production has been able to benefit from the general advance in British cured pork prices experienced after imports were placed under control. Norway has not been interested until recently in offering a product which is competitive with that of Denmark or other countries established in the export market. The Vice Consul suggests that production will be allowed to decline to the requirements of the domestic market.

South African legislation to favor beef exports

A government bill has been introduced in Southern Africa amending the Mealie (corn) Control Act of 1931 to authorize the Minister of Agriculture to purchase corn and corn products at the low export price instead of the high domestic price for resale to drought-stricken farmers and for sale as feed for stock which is intended to be exported on the hoof or exported as meat. This amendment will lower the cost of feeding cattle for the chilled-beef trade with England and will probably have the effect of diverting corn from exportation to the livestock-feeding industry. Up to this time the chilled-beef export trade of South Africa has made a slow beginning.

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THE MANCHURIAN SOY BEAN SITUATION

A 1933 Machurian soy bean crop next to the largest crop ever produced, exports from Manchuria for the first six months of the 1933-34 crop year the smallest in the past eight years, and prices for soy beans in Manchuria the lowest in nearly twenty years, are features of the soy bean situation in Manchuria, according to a recent report from Fred J. Rossiter, Assistant Agricultural Commissioner to Shanghai.

The 1934 acreage planted to soy beans in Manchuria is expected to be somewhat below that of recent years. Due to the extremely low prices and the large amount of beans left in the country, it is believed that the farmers will be interested in producing other crops. The government has been encouraging the farmers in North Manchuria to grow more wheat, and in some sections flax, while in South Manchuria the government has urged the farmers to plant cotton and hemp.

The 1933 Manchurian soy bean crop was estimated to be about 5,737,472 short tons, or 18 percent larger than the 1932 crop. The 1933 soy beans are considered of fairly good quality compared with the previous crop which had a high moisture content.

Bean exports for the first half-year of the current season were about 5 percent below the small exports during the same period last year. The decline in exports occurred during the second quarter (January to March) as shipments during October to December exceeded the amount exported the first quarter of the previous year. The demand from Europe was strong during the first quarter, but became weak in the second quarter. Increased shipments to Japan for the half-year took place mainly during the second quarter when prices were low. The South China market continues to take less Manchurian beans and appears to receive sufficient other vegetable oil products from within China.

MANCHURIA: Exports of soy beans, bean cake and oil, October-March, 1931-32 to 1933-34 a/

Year	Beans	Bean Cake	Bean Oil	Total
	Short tons	Short tons	Short tons	Short tons
1931-32	1,634,303	885,484	91,780	2,612,567
1932-33....................	1,481,823	566,476	51,546	2,099,845
1933-34....................	1,400,413	575,552	36,973	2,012,933

Dairen American Consular Reports. a/ Exports from Dairen, Newchwang, Vladivostok, Manchouli, Yuki and Seishin.

THE MANCHURIAN SOY BEAN SITUATION, CONT'D

Bean cake exports for the first half of the 1933-34 crop year slightly exceeded the small quantity exported during the corresponding period the previous year. The increased exports were taken by Japan. Low priced bean cake in Japan has furnished increased competition to Japanese commercial fertilizer manufactured in Japan. European demand for bean cake continues to decline. Lower priced bean cake has failed to attract increased buying from South China due to the boycott and low purchasing power. Smaller quantities of bean cake meal have been shipped to America during the first half of the current season.

MANCHURIA: Exports of soy beans and bean products, by countries, October-March, 1931-32 to 1933-34

Season and product	Japan a/	Europe b/	China	United States	Malaysia	Others	Total
	Short tons	Short tons	Short tons	Short tons	Short tons	Short tons	Short tons
Soy beans							
1931-32	443,918	777,550	361,025	114	52,514	182	1,635,303
1932-33	287,890	1,096,642	64,672	45	32,508	66	1,481,823
1933-34	331,176	999,820	36,970	0	32,096	351	1,400,413
Bean cake							
1931-32	661,506	33,480	171,901	10,708	---	7,889	885,484
1932-33	458,055	45,848	37,421	23,268	---	1,884	566,476
1933-34	515,157	14,695	36,667	8,840	53	140	575,552
Bean oil							
1931-32	262	35,924	50,159	1,063	---	4,372	91,780
1932-33	98	29,079	22,279	90	---	---	51,546
1933-34	128	23,051	12,385	287	---	20	35,871

Dairen American Consular Reports. a/ Includes Korea and Formosa. b/ Includes exports via Manchouli to Leningrad.

Manchurian bean oil exports have continued to be less important. During the first six months of the 1933-34 crop year bean oil exports were 28 percent below the corresponding period of 1932-33 and 60 percent below the same period for 1931-32. European countries in recent years prefer to buy the beans and extract the oil in their own countries. During the past seven years a decreasing percentage of Manchurian soy beans have been exported in the form of bean oil and bean cake.

Soy bean prices in local currencies at Dairen exchange have been on a downward trend since July 1929, and on April 2nd reached 2.99 silver yen per picul, the lowest price since 1914. During the past year soy bean prices in Europe have declined sharply. The lower prices are believed to be due to the large quantity available for export, a reduced demand from Europe, and practically the loss of the China market.

THE MANCHURIAN SOY BEAN SITUATION, CONT'D

Transportation and handling charges have remained high which situation has resulted in very low farm prices. In March in the Koshan district of North Manchuria it is reported that farmers received 20 to 30 cents Manchurian money per pood (about 18 to 27 cents per 100 pounds) for soy beans. Reports also indicate farmers have used soy beans for fuel in place of buying wood or coal.

MANCHURIA: Average monthly price of soy beans and soy bean products at Dairen in Silver Yen and United States currency

Year and month	Beans		Bean cake		Bean oil	
	Silver ¥ per picul a/	U.S.cents per pound	Silver ¥ per 61 lb	U.S.cents per pound	Silver ¥ per picul a/	U.S.cents per pound
1932-33						
October	5.14	.86	1.61	.59	13.45	2.25
November	5.10	.84	1.65	.59	13.97	2.30
December	5.23	.79	1.73	.57	14.30	2.17
January	5.19	.79	1.72	.57	14.46	2.37
February	4.88	.75	1.58	.54	13.89	2.13
March	4.86	.76	1.50	.50	13.70	2.15
April	4.82	.78	1.51	.54	13.69	2.22
1933-34						
October	4.09	.87	1.21	.56	11.16	2.38
November	3.92	.93	1.22	.63	11.07	2.63
December	3.63	.88	1.16	.61	9.77	2.35
January	3.28	.79	1.08	.57	8.78	2.12
February	3.36	.83	1.12	.60	8.81	2.17
March	3.18	.79	1.07	.58	8.06	2.00
April	3.22	.79	1.09	.58	7.46	1.83

Finance & Commerce (a Shanghai weekly trade journal). a/ One picul is equivalent to 133-1/3 pounds.

Since the first week in April prices at Dairen have steadily improved until they are now the highest since December. The higher prices are due to lower silver rates, increased demand from Japan and Europe, and a reduction of stocks at market centers.

At the beginning of the third quarter the total stocks of soy beans in Manchuria were the largest on record. During the third quarter some improvement in demand for beans and bean cake took place. The demand for beans is not expected to improve to any great extent unless it is from Japan. The demand from Germany is expected to decrease. The Dutch Indies on February 25 of this year prohibited importation of Manchurian soy beans in order to improve domestic prices. Production of soy beans in the Dutch Indies have been gradually increasing during recent years from 137,788 short tons in 1930 to 198,414 in 1933. Imports into the Dutch Indies have been decreasing from 99,207 short tons in 1930 to 47,399 short tons in 1933.

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MEXICO: Number of livestock in the Mexican Republic, according to the Agricultural and Livestock Census for the Mexican Republic a/

Zone	Cattle	Hogs	Sheep	Goats	Horses	Mules	Asses
	1,000	1,000	1,000	1,000	1,000	1,000	1,000
NORTH							
Coahuila	225.7	56.9	200.0	943.6	89.3	55.5	66.8
Chihuahua	685.3	108.4	150.2	408.8	174.9	51.3	86.8
Durango	320.1	125.1	140.4	376.1	93.6	56.1	120.5
Nuevo Leon	300.3	74.1	214.3	964.1	78.9	18.2	53.2
San Luis Potosi	323.5	104.1	169.4	431.7	66.7	21.2	124.8
Tamaulipas	339.9	74.5	94.2	291.9	118.3	33.4	47.5
Zacatecas	541.3	131.8	421.3	689.1	126.5	45.5	195.1
Total	2,736.1	674.9	1,389.8	4,105.3	748.2	281.2	694.7
ZONA GOLFO							
Campeche	33.3	23.0	0.7	2.2	7.1	5.7	0.3
Quintana Roo	1.4	3.0	0.1	0.3	0.4	0.7	b/
Tabasco	159.4	140.9	0.9	2.5	27.6	2.1	0.3
Veracruz	743.0	361.7	125.8	145.7	148.8	43.7	131.6
Yucatan	101.6	63.1	2.8	15.8	38.9	15.1	1.5
Total	1,038.7	591.7	130.3	166.5	222.8	67.3	133.7
NORTH PACIFIC ZONE							
Baja California T.N.	32.3	6.3	10.5	2.5	7.8	4.2	0.4
Baja California T.S.	105.5	3.9	3.5	17.2	11.0	5.1	7.6
Nayarit	182.4	88.8	6.1	12.5	27.0	15.6	25.1
Sinaloa	417.1	176.6	13.8	32.0	59.6	46.2	69.5
Sonora	705.3	59.4	20.3	37.7	156.0	39.6	55.1
Total	1,442.6	340.0	54.2	101.9	261.4	110.7	157.7
SOUTH PACIFIC ZONE							
Colima	40.8	13.9	0.7	5.1	7.5	3.2	4.3
Chiapas	362.3	242.2	136.5	38.4	98.2	20.1	8.9
Guerrero	409.1	221.7	20.3	132.9	58.6	8.1	71.6
Oaxaca	392.0	193.1	126.2	294.9	49.5	16.6	81.3
Total	1,204.2	675.9	283.7	471.3	213.8	48.0	166.1
CENTRAL ZONE							
Aquascalientes	64.9	20.8	27.4	37.3	10.6	8.1	24.3
Distrito Federal	49.5	39.3	28.6	16.9	11.9	10.0	7.7
Guanajuato	527.0	208.6	175.0	475.4	42.4	22.8	203.7
Hidalgo	210.2	118.2	335.7	199.6	35.6	35.2	74.4
Jalisco	1,067.6	335.9	155.5	131.1	130.2	36.7	175.5
Mexico	367.6	153.8	429.2	96.4	46.5	27.8	106.2
Michoacan	778.5	243.9	136.3	148.0	96.9	27.3	148.4
Morelos	77.0	22.3	4.7	8.5	11.1	4.3	19.0
Puebla	340.8	302.5	365.0	403.6	35.1	49.3	179.2
Queretaro	128.2	47.0	67.4	118.5	13.9	8.5	37.5
Tlaxcala	50.1	33.4	92.9	35.9	7.1	13.6	31.6
Total	3,661.4	1,415.7	1,815.9	1,699.1	441.3	244.1	1,007.5
GRAND TOTAL	10,083.0	3,693.2	3,675.9	6,544.1	1,887.5	751.3	2159.7

Division of Statiscical and Historical Research. Revista de Economia y Estadistica, May, 1934.

a/ This is the first census made of the number of all Mexico including the numbers in cities and villages.

b/ Less than .050.

WOOL: Imports into the United States, by months, 1933 and 1934

Month	Combing and clothing		Carpet		Total	
	1933	1934	1933	1934	1933	1934
	1,000 lbs.	1,000 lbs.	1,000 lbs.	1,000 lbs.	1,000 lbs.	1,000 lbs.
Jan.	559	2,906	4,570	6,609	5,129	9,515
Feb.	516	3,434	4,212	8,997	4,728	12,431
Mar.	590	4,042	3,858	12,552	4,448	16,594
Apr.	692	2,347	5,405	11,182	6,097	13,529
May	371	1,144	2,515	6,290	2,886	7,434
June	2,814		7,848		10,662	
July	10,216		21,114		31,330	
Aug.	10,297		29,447		39,744	
Sept.	5,409		15,771		21,180	
Oct.	5,332		13,132		18,464	
Nov.	3,323		10,701		14,024	
Dec.	3,707		11,888		15,595	
Jan.-May	2,728	13,873	20,560	45,630	23,288	59,503
Jan.-Dec.	43,826		130,461		174,287	

Division of Statistical and Historical Research. Compiled from official records of the Bureau of Foreign and Domestic Commerce.

WOOL: Reported consumption in the United States, by classes, by months, 1933 and 1934 a/

Month	Combing and clothing b/		Carpet c/		Total	
	1933	1934	1933	1934	1933	1934
	1,000 lbs.	1,000 lbs.	1,000 lbs.	1,000 lbs.	1,000 lbs.	1,000 lbs.
Jan.	27,514	21,780	3,943	8,544	31,457	30,324
Feb.	25,207	20,136	3,777	8,139	28,984	28,275
Mar.	18,264	20,746	3,585	8,827	21,849	29,573
Apr.	20,110	16,504	4,862	7,875	24,972	24,379
May	33,005		8,215		41,220	
June	38,759		13,090		51,849	
July	38,111		11,675		49,786	
Aug.	35,553		12,804		48,357	
Sept.	32,385		11,847		44,232	
Oct.	34,041		11,433		45,474	
Nov.	30,564		8,061		38,625	
Dec.	22,388		6,440		28,826	
Jan.-Apr.	91,095	79,166	16,167	33,385	107,262	112,551
Jan.-Dec.	355,899		99,732		455,631	

Division of Statistical and Historical Research. Compiled from "Wool Consumption Reports" issued by the Bureau of the Census. Reports are received regularly from manufacturers representing about 75 to 80 percent of the industry. No estimates are included for manufacturers who fail to report. a/ These are totals of grease, scoured and pulled wool as published by the Bureau of the Census and have not been reduced to a grease basis. b/ Domestic and foreign. c/ All of foreign origin.

WOOL, COMBING AND CLOTHING: Reported consumption in the United States, by grade and origin, in clean equivalent a/, January-April, 1933 and 1934

Grade	Domestic				Foreign			
	Combed		Carded b/		Combed		Carded b/	
	1933	1934	1933	1934	1933	1934	1933	1934
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
64s, 70s, 80s ..	13,134	9,088	3,436	3,913	428	928	63	203
58s, 60s	6,107	4,685	2,931	2,725	135	599	62	108
56s	6,026	4,122	3,876	5,345	110	1,010	37	224
48s, 50s	5,003	4,369	1,756	2,260	202	1,204	159	639
46s	1,127	571	1,463	1,548	76	414	77	507
36s, 40s, 44s ..	185	337	182	451	158	2,165	216	353
Total	31,582	23,172	13,644	16,242	1,109	6,320	614	2,034

Division of Statistical and Historical Research. Compiled from "Wool Consumption Reports" issued by the Bureau of the Census. Reports are received regularly from manufacturers representing about 75 to 80 percent of the industry. No estimates are included for manufacturers who fail to report. a/ Based on estimated yields varying with grade, condition and origin of wool. b/ Includes only wool going through woolen cards.

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WALNUTS: Production, Mediterranean Basin, on unshelled basis, 1932-1934

Country and variety	1932	1933	1934
	Bags of 110 lbs.	Bags of 110 lbs.	Bags of 110 lbs.
Italy -			
Sorrentos Naples	185,000	225,000	265,000
Current Naples	45,000	50,000	45,000
Wild Naples	30,000	35,000	35,000
Total Italy	260,000	310,000	345,000
France -			
Cornes	55,000	55,000	75,000
Grenobles	60,000	20,000	65,000
Marbots	30,000	35,000	70,000
Other table varieties	60,000	60,000	90,000
Shelling varieties on unshelled basis	390,000	400,000	570,000
Total France	595,000	570,000	870,000
Rumania	120,000	120,000	220,000
Yugoslavia	179,000	80,000	160,000
Bulgaria	60,000	60,000	60,000
Hungary	30,000	30,000	50,000
Turkey	100,000	140,000	135,000
Total above countries	1,344,000	1,310,000	1,840,000

Paris office of Foreign Agricultural Service.

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